THE HON'BLE SRI JUSTICE V.ESWARAIAH

W.P.No.6928 of 2006

Between:

N.Venkata Mahalakshmamma. … Petitioner

and

The Branch Manager,
A.P.State Financial Corporation and another. … Respondents

ORDER:

The petitioner seeks a Writ of Mandamus declaring the action of the respondents in selling away her house bearing D.No.4-64, admeasuring 224 sq. yards, situated at Gangavaram, H/o.Santanutalapadu, Prakasham District, to third parties as illegal and arbitrary.

This court, on 10-04-2006, while issuing notice before admission, granted stay for a period of one week only directing the respondents not to interfere with the peaceful possession and enjoyment of the suit schedule property. Thereafter, the stay was not extended.

When the matter has been taken up for hearing on 09-03-2007, none appeared for the petitioner. Therefore, the matter was posted for dismissal.

A counter has been filed by the respondents stating one Sri D.Venkateswara Reddy, who is proprietor of M/s.Kalyani Granites, availed loan of Rs.4.50 lakhs from the respondent Corporation after mortgaging the property of the petitioner as well as one Smt.Jayalakshmi, W/o.Sri G.V.Subba Raju, as collateral security.

It is further stated that as the loanee failed to repay the entire loan amount and there was due amounting to Rs.3.18 lakhs, the respondents after giving reasonable opportunity to the petitioner, the house of the petitioner was sought to be notified for sale by releasing advertisements. Accordingly, the advertisements were released on 31-07-2005 and 10-01-2006.

It is further stated that pursuant to the said advertisements, one Sri V.Jagapathi Raju offered a sum of Rs.3.25 lakhs on 100% down payment

basis and the same was finalized as per norms.

Even according to the petitioner, the value of the collateral security was Rs.4.65 lakhs, but the highest bid amount was only Rs.3.25 lakhs. Further, the loanee is due and payable Rs.2.25 lakhs towards principal, Rs.89,000/- towards interest and Rs.4,000/- towards other expenses i.e., total Rs.3.18 lakhs. Thus, the petitioner is entitled for refund of Rs.7,000/- after deducting Rs.3.18 lakhs from Rs.3.25 lakhs.

Accordingly, the writ petition is disposed of holding that if the sale has been confirmed, the respondents are directed to refund the excess amount of Rs.7,000/- or any other amount to the petitioner. There shall be no order as to costs.

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16-03-2007

Prv